

**LICENSES AND CONSUMER SERVICES
LICENSE INSPECTOR'S REPORT**

FILE: 13195

WARD: 10

NEIGHBORHOOD: East Isles

APPLICANT: Tao Enterprises, Inc.
DBA: Tao Natural Foods
ADDRESS OF ESTABLISHMENT: 2200 Dupont Avenue South
LICENSE APPLICATION REQUESTED: Class "E" On-Sale Wine with Strong Beer
DATE OF APPLICATION: December 5, 2011
INSPECTOR: Greg Buenning

BASIC LICENSE INFORMATION

7 or 5 acre requirement: Met

Zoning District: C-1

Off- Street Parking: Zoning requires four off-street parking spaces. This is met

Residential district: Under 500 feet **Church or School distance requirement:** Over 300 feet

Hours of operation proposed: **Inside:** 8:00 a.m. – 10:00 p.m. daily/ 8:00 a.m. – 11:00 p.m. daily (summer) **Outside:** Same as indoor hours

Lease shows exclusive use of premises by applicant: Yes

Responsible person within 75 miles of MPLS City Hall: Yes

Fire occupancy: 58 **Number of seats inside:** 32 **Number of seats outside:** 48

Service Availability Charge(SAC):

Public Hearing requirement: A public Hearing is required

HISTORY OF LOCATION

This location has been utilized as a restaurant since 1995. Prior to 1995 it was used as retail space.

APPLICANT

The applicant is Tao Enterprises, Inc., DBA, Tao Natural Foods. It was incorporated under Charter 1614867-2 under Chapter 302A on December 7, 2005. The applicant has provided documentation showing adequate, legal, and traceable funding for this venture. They have the required restriction on the transfer of shares and have the following shareholders and officers:

Shareholder	Date of Birth	Title	Shares
Christina L. Badger	11/28/1968	Owner/Partner	60%
Anna M. Needham	06/13/1974	Owner/Partner	40%

PREMISES

Tao Natural Foods is a full service, sit-down restaurant. They will operate their business on the first floor of the building they occupy. The total square footage of the premises will be 2,048. The fire code occupancy is 58. The interior seating will consist of 32 seats for their patrons which includes three wine bar seats. The applicant also proposes to have a larger sidewalk café than what they have had for their existing business. They anticipate having 38 seats for their sidewalk café which will cover an area directly outside the front door of the business and extending down the sidewalk on 22nd Street along the north side of the building.

BUSINESS PLAN/OPERATIONS

The applicant's vision for Tao Natural Foods is to continue to have a casual, comfortable, and friendly neighborhood restaurant serving high quality organic foods as they have been serving. They indicate that all of the foods they serve are obtained locally whenever possible. They will serve breakfast, lunch, and dinner. They are requesting to serve wine and beer to offer a compliment to the dining experience. They will be required to have a 60/40 food to alcohol ratio. All employees will complete alcohol compliance training provided by Minnesota License Beverage Association. They will have a discipline policy for alcohol servers. Proposed business hours will be 8:00 a.m. to 10:00 p.m. daily. Proposed summer hours will be 8:00 a.m. to 11:00 p.m. daily. The owners of Tao have indicated that even though they have requested the stated hours they do not intend to be open those hours. They have said that they will more than likely be closed between 9:00 p.m. and 10:00 p.m. Tao Natural Foods will not be offering entertainment. The Class "E" Liquor License does not permit live entertainment. They will not offer charitable gambling, mechanical amusement devices, and they will not host any sporting events or teams as part of their business plan. The applicant has indicated that they will ensure that the outside area will be monitored for litter abatement on a regular basis. The business will continue to be managed by owner, Anna Needham.

POLICE REVIEW

Sgt. Markstrom completed background and financial reviews on December 8, 2011, and has recommended approval of the application.

5th PRECINCT SECURITY PLAN REVIEW

On November 16, 2011, 5th Precinct Police Inspector Matt Clark met with Tao management. In his review there were no issues of concern for the business from his perspective. A checklist was completed indicating what items were addressed and suggested by his office. Each item that pertained to the businesses license was initialed by a Tao representative.

PUBLIC HEARING SUMMARY

Public hearing notices were sent out to 122 residents. The public hearing for the Class "E" On-Sale Wine and Beer license was held on January 5, 2012 at the Kenwood Recreation Center, 2101 Franklin Street West. Two area residents attended the public hearing. Both residents praised the business for being a good neighbor for the past six years. Both said it was a well run business with a good business model. The concerns that were raised were that it was felt that even though the business has met the off-street parking of four spaces with seven spaces, it was still felt that the parking requirements are too loose and it does pose a problem for the residents. The owners addressed this concern by saying that many of their patrons bicycle to their business and they have never had any parking problems since they've been there. The other concern was the noise problem that could come as a result of having a sidewalk café with 48 seats in operation at late hours. The owners indicated that they will monitor the behavior of their patrons

both inside and outside and reiterated that even though they are requesting having 11:00 p.m. summer hours they will more than likely be closing by 9:00 p.m. or 10:00 p.m. to mitigate any noise problems that might occur. In addition to the concerns noted at the public hearing, Business Licensing received six written correspondences in response to the public hearing notices. Five were in favor of both the wine and beer license and the sidewalk café licensed being approved. One response was opposed to the license being approved stating that the business being open until 11:00 p.m. would create a noise problem for the neighboring residences and that the parking situation in that area would have a negative impact.